

BOSTON REDEVELOPMENT AUTHORITY

REPORT AND DECISION OF THE APPLICATION OF PETERBOROUGH HOUSING ASSOCIATES FOR THE AUTHORIZATION AND APPROVAL OF A PROJECT UNDER MASSACHUSETTS GENERAL LAWS (TER.ED) CHAPTER 121A, AS AMENDED, AND CHAPTER 652 OF THE ACTS OF 1960, TO BE UNDERTAKEN AND CARRIED OUT BY A LIMITED PARTNERSHIP FORMED UNDER MASSACHUSETTS GENERAL LAWS, CHAPTER 109, AND APPROVAL TO ACT AS AN URBAN REDEVELOPMENT LIMITED PARTNERSHIP UNDER SAID CHAPTER 121A.

A. The Hearing. A public hearing was held at 2:00 P.M. on March 9, 1978, in the offices of the Boston Redevelopment Authority (hereinafter called the "Authority"), at the New City Hall, Room 921, Boston, Massachusetts 02201, by the Authority on an Application (hereinafter called the "Application"), filed by Wingate Development Corp. for Peterborough Housing Associates, for authorization and approval of a redevelopment project under Chapter 121A of the General Laws of the Commonwealth of Massachusetts and Chapter 652 of the Acts of 1960, as amended, (hereinafter called the "Project"), due notice of said hearing having been given previously by publication on Feb. 22 and March 1, 1978, in the Boston Herald-American, a daily newspaper of general circulation published in Boston, and mailing postage prepaid in accordance with Rule 8 of the Rules and Regulations of the Authority for securing approval of Chapter 121A projects, and in accordance with the provisions of Section 13 of Chapter 652 of the Acts of 1960, as amended.

B. The Project. The Project is located at 36-40-42-46 Peterborough Street, 35-39-41-45 Peterborough Street and 72-76-78-80-82 Peterborough Street and consists of the acquisition of those properties by the Applicant and the rehabilitation, operation and maintenance thereon of 220 units of housing for family occupancy. All of the housing units in the project will receive rental assistance from the United States Department of Housing and Urban Development under the Section 8 program which will enable families of low and moderate incomes to occupy these units.

C. Authority Action. In passing upon the Application, the Authority has considered the Application itself, all Documents, Plans and Exhibits filed therewith or referred to therein, the oral evidence presented at the hearing, the Exhibits offered in evidence at the hearing, arguments and statements made at the hearing, and additional statements submitted subsequent to the hearing.

The Project, as defined in the Application, constitutes a Project within the meaning of Section 1 of Chapter 121A of the General Laws, providing, as it does, for the construction, operation and maintenance of decent, sanitary and safe residential buildings and appurtenant facilities.

D. Project Area Substandard and Decadent. Twelve of the thirteen doorways comprising the three building groups which Applicant proposes to rehabilitate are presently vacant

and have been for many years. These vacant buildings have suffered serious vandalism. In addition to the apparent evidence of deterioration caused by neglect and abuse, all of the buildings in the project area have suffered structural damage due to the soil conditions existing in the Project Area. The structural deficiencies existing in the Project Area are clearly identified in the reports of structural consultants to the architects, Boston Architectural Team, Inc., which were submitted at the hearing to this Authority. Photographs of the project area submitted in evidence clearly indicate the blighting effect of these properties upon the surrounding neighborhood.

These conditions existing within the Project Area constitute a hazard to the general public and render the area detrimental to the safety, health, morals and sound growth of the surrounding community. Because of the magnitude of the cost involved in rehabilitating these properties, including without limitation the cost of dealing with structural deficiencies, this Authority is of the opinion that the conditions herein described will not be eliminated by the ordinary operations of private enterprise without the assistance provided by Chapter 121A.

1. Compliance with Zoning and Similar Laws. Exhibit D filed with the Application, as amended by letter dated March 6, 1978, identified two catagories in which the proposed Project deviates from the provisions of the City of Boston Zoning Code.

These two catagories of deviations, hereinafter described, arise from existing conditions in the Project Area. For the reasons set forth in the Application and on the basis of evidence presented at the hearing, the Authority hereby finds that each of the permissions requested by the Applicant for deviations from the City of Boston Zoning Code are reasonably necessary to the carrying out of the Project and may be granted without substantial derogation from the from the intent and purposes of the Boston Zoning Code. Accordingly, the Authority hereby grants permission to the Applicant for the following deviations from the Boston Zoning Code:

I. Permission to increase number of dwelling units from present legal occupancy.

Street Address	Present Legal Occupancy	Permitted Occupancy
40 Peterborough Street	17 Units	18 Units
42 Peterborough Street	17 Units	18 Units
39 Peterborough Street	17 Units	18 Units
41 Peterborough Street	17 Units	18 Units

II. Floor Area Ratio

Street Address	Required by Boston Zoning Code	Permitted Deviation
35-45 Peterborough Street	2.0	2.12
36-46 Peterborough Street	2.0	2.06
72-82 Peterborough Street	2.0	3.17

2. Consistency with Master Plan. The Project does not conflict with the Master Plan for the City of Boston.

3. Effect of the Project. The Authority finds that the Project will not be in any way detrimental to the best interests to the public, of the City of Boston, or to the public safety and convenience and that the Project is not inconsistent with the most suitable development of the City of Boston. The Authority finds affirmatively that the Project serves the interest of the City of Boston and will constitute a public use and benefit. The Project restores to the City residential structures in a residential neighborhood, thereby continuing a use consistent with the neighborhood. The rehabilitation of the Project area will enhance the general appearance of Peterborough Street and provide stimulus to further restoration in the residential neighborhood; the Project restores needed dwelling units to Boston housing stock.

In addition to eliminating conditions which the Authority has found detrimental to the City and restoring the supply of decent housing units to the City, the Project affords an additional benefit by virtue of the availability of Section 8 housing assistance payments for eligible occupants. This form of subsidy will bring within the economic reach of the majority of citizens of Boston this newly renovated housing which would otherwise potentially be too expensive for the

community which it is designed to serve.

The Project does not involve the destruction of any existing structures. The carrying out of the Project will involve the relocation of eighteen families now residing in the one building in the Project Area which is occupied. The Applicant has provided a relocation plan indicating the method of relocating these families in accordance with the provisions of M.G.L. Chapter 79A and the regulations thereunder. The Authority finds that the plan for relocation of these eighteen families proposed by the Applicant provides suitable protection for these families and that there will exist in the Project Area and in other areas of the City not generally less desirable decent, safe and sanitary dwellings in sufficient number and within the financial means of the families to be relocated as a consequence of the approval of this Project.

The Authority finds that the Project Area does not include land within any location approved by the Department of Public Works for the extension of the Massachusetts Turnpike, that the Project will not require the grant of a permit for the erection, maintenance and use of any garage within 500 feet of one or more buildings occupied in whole or in part as a public or private school or as a public or private hospital or as a church. Although the Project involves the construction of units constituting a single building under the Boston zoning law and the applicable building code, the Project will

not require a declaration by the Authority that such units constitute separate buildings for purposes of Chapter 138 of the General Laws.

E. Review of Finances. The Authority is of the opinion that the cost of the Project, as detailed in the Commitment for Insurances of Advances issued for the Project by the Federal Housing Administration pursuant to Section 221(d)(4) of the National Housing Act, has been carefully and realistically estimated and that the Project is practicable. The combination of FHA insurance and permanent mortgage financing from the Government National Mortgage Association at a rate of seven and one-half percent (7½%) is a feasible method of financing the estimated cost of rehabilitation, being approximately \$5,200,000 plus the appropriate carrying and financing cost for the construction period. Applicant's proposed method of providing all amounts required for the Project in excess of the mortgage financing herein described, of admitting limited partners in exchange for capital contributions is approved by the Authority.

In addition to examining the methods of financing the cost of the Project, the Authority has examined Exhibit F to the Application which described amounts to be paid to the City of Boston in excess of the 121A statutory excise. The Authority finds that an agreement with the City of the nature described in said Exhibit F will provide substantial financial return

to the City. We do not by this finding bind the City or the Applicant to the specific terms and conditions of said Exhibit F.

The Authority is aware that substantial real estate tax arrearages exist for the properties within the Project Area and that the Applicant is in the process of negotiating with the Commissioner of Assessing for the City of Boston for abatement of such arrearages. The approval of the Project granted by the Authority is conditioned upon (1) the payment by Peterborough Housing Associates of One Hundred Seventy-Five Thousand Dollars (\$175,000) in partial satisfaction of outstanding real estate tax arrearages to be made prior to the undertaking of the Project; and (2) the placement in escrow by Peterborough Housing Associates with Chicago Title Insurance Company of an amount equal to the remainder of unpaid real estate taxes, together with an amount sufficient to cover such interest as may accrue within six months; and (3) the payment in or within six months from the date of initial closing for the mortgage loan of the Project of all amounts of outstanding real estate taxes, plus interest. In the event that the conditions contained in this paragraph are not complied with, then the action of the Board is null and void, without further action on the part of the Authority.

F. Minimum Standards . The minimum standards for financing, construction, maintenance and improvement of the Project as set forth in Exhibit E filed with and attached to the Application are hereby adopted and imposed as Rules and Regulations (in addition to those hereinafter adopted and imposed) applicable to this Project for the same period as the Project is subject to the provisions of Chapter 121A of the General Laws and Chapter 652 of the Acts of 1960, as amended.

In addition to the minimum standards set forth in Exhibit E, the Authority hereby requires that the Applicant, prior to obtaining a building permit, (1) enter into a Regulatory Agreement with the Authority pursuant to the requirements of General Laws, Chapter 121A, Section 18C and containing such other terms and conditions as the Authority may in its discretion deem necessary and appropriate; (2) submit to the Authority for its review and approval such Plans and Specifications for the Project as the Authority may require, and accept such changes and modifications thereto as the Authority may deem necessary or appropriate; and (3) adhere to such Design Review Controls and Requirements as the Authority may in its discretion impose.

G. Environmental Considerations. Conformably with the provisions of Section 62 of Chapter 30 of the General Laws, as amended by Chapter 947 of the Acts of 1977, and the Regulations thereunder as adopted by the Authority on April 11, 1974, the Authority has made an environmental examination which contains, among others, the following findings:

1. The Project does not adversely affect any recreational areas or any aesthetic values in the surrounding area.
2. No natural or man-made places are affected by the Project.
3. The Project does not adversely affect archeological or historical structures or features. It is expected that the

Project will enhance the historic structures in the Area.

4. The Project does not affect the potential use, extraction, or conservation of a scarce natural resource.

5. The Project Area is urban, and therefore, does not serve as a habitat for wildlife or fish species.

6. Being urban, the Project has no impact on any wilderness areas.

7. The Project will require deviations from the Zoning Code of the City of Boston as previously detailed herein, but not in such manner as will cause damage to the environment.

8. The Project does not require certification, authorization or issuance of a permit by any local, State or Federal environmental control agency.

9. The Project does not involve the disposal of potentially hazardous materials.

10. The Project does not involve the construction of facilities in a flood plain.

11. The Project, except necessarily during the construction phase, does not result in the generation of a significant amount of noise or dust.

12. The Project does not result in a deleterious effect on the quality of any portion of the State's air or water resources.

H. Duration of Period of Tax Exemption. The Authority hereby determines that the Project shall be entitled to a

period of tax exemption of forty (40) years. This determination is based upon the availability of housing assistance payments pursuant to the Section 8 program which renders the Project one to be subsidized under a federal program adopted to assist the construction of low and moderate income housing. This determination is further supported by the inclusion in the financing for the Project of FHA insurance and GNMA permanent mortgage financing as more fully set forth in prior paragraphs of this report.

I. Decision. For all of the reasons set forth in the foregoing report, the Authority hereby approves the undertaking by the Applicant of the Project pursuant to Chapter 121A of the General Laws and Chapter 652 of the Acts of 1960.

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EDWARD J. McCORMACK, JR.
KENNETH H. ZIMBLE
NORMAN I. HASSMAN
JOEL Z. EIGERMAN
IRVING A. RACHSTEIN
MYRNA PUTZIGER
EDWARD J. McCORMACK, III
of Counsel
ANGELO J. FIUMARA

MCCORMACK & ZIMBLE

2 Franklin Street/Boston, Massachusetts 02110/Telephone (617)482-1400

June 5, 1978

RECEIVED

JUN 5 1978

Mr. Robert F. Walsh
Director
Boston Redevelopment Authority
City Hall
Boston, Massachusetts

BOSTON REDEVELOPMENT AUTHORITY
OFFICE OF THE DIRECTOR

Re: Peterborough Housing 121A Application

Dear Mr. Walsh:

On behalf of Peterborough Housing Associates, an applicant for approval of a project under Chapter 121A currently pending before the Boston Redevelopment Authority, I am writing to suggest what I believe to be an acceptable method to resolve the question of outstanding real estate taxes which has to date prevented final approval of the Peterborough project.

As you and the members of the Authority are aware, an amount in excess of \$400,000 of unpaid real estate taxes are a lien upon the Peterborough Street properties. In addition to those outstanding taxes, two years of paid taxes are the subject of a pending appeal at the Appellate Tax Board. The resolution of the appeals at the Appellate Tax Board and the taxes abated under Section 8 of Chapter 58 may take a considerable number of weeks to resolve. In that interim, valuable periods of good weather would be lost were the developer unable to proceed with the project.

We have indicated both in our 121A application and in correspondence with the Commissioner of Assessing for the City of Boston that the FHA appraised value for the Peterborough Street properties is \$175,000. Accordingly, we would propose that the following compromise be accepted by the Authority as a basis upon which the Peterborough Street project may be allowed to proceed. Peterborough Housing Associates would currently make payment of \$175,000 in partial payment of outstanding real estate taxes. The balance of the outstanding taxes, with a sufficient amount

MCCORMACK & ZIMBLE

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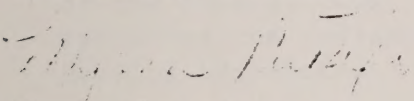
to cover interest which may accrue, would be deposited with the Chicago Title Insurance Company as security for full payment of the taxes were no satisfactory abatement achieved. In or within six months from the initial closing of the mortgage loan for the Peterborough Street property, Peterborough Housing Associates will have either settled the amount of taxes due and make payment of the settlement amount or will pay the escrowed amount in full payment of outstanding taxes.

This proposal, I believe, provides to the City of Boston assurance of the payment of whatever amount is ultimately deemed due in taxes and sets a deadline for such resolution. Therefore, the Authority should feel comfortable in allowing the project to proceed in the knowledge that the tax issue cannot linger indefinitely.

If this resolution is satisfactory to the members of the Authority, I would urge that the approval of the Peterborough Housing Associates 121A application be approved at the next possible meeting of the Authority.

Very truly yours,

MCCORMACK & ZIMBLE


Myrna Putziger

MP/mt

cc: Gerald Schuster

TABLED: APRIL 27, 1978
RESUBMITTED: JUNE 8, 1978

MEMORANDUM

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT F. WALSH, DIRECTOR

SUBJECT: REPORT AND DECISION ON CHAPTER 121A APPLICATION OF
PETERBOROUGH HOUSING ASSOCIATES

On March 9, 1978, the Authority held a public hearing on the above-captioned application. At that meeting the Board heard a presentation by the Applicants.

The 121A Application has been examined and found to contain evidence in support of the project. This evidence, and that submitted subsequent thereto permits the Authority to proceed with the adoption of the attached Report and Decision approving the Project and consenting to the formation of the captioned Limited Partnership.

The Project involves the rehabilitation of three buildings known and numbered 36-40-42-46 Peterborough Street, 35-39-41-45 Peterborough Street, and 72-76-78-80-82 Peterborough Street into 220 units of housing for low and moderate income families. All of the units will receive Section 8 rental assistance.

It is therefore recommended that pursuant to Chapter 121A of the General Laws, the Authority adopt the Report and Decision approving the Project and consenting to the formation of Peterborough Housing Associates.

An appropriate Vote is attached.

